



DAVID E. JANSSEN
Chief Administrative Officer

County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101

HAMMOND

September 4, 2001

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

Board of Supervisors

GLORIA MOLINA
First District

YVONNE BRATHWAITE BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**MEDICAL, DENTAL, LIFE INSURANCE AND DISABILITY PLANS FOR 2002
(3 VOTES)**

JOINT RECOMMENDATION WITH DIRECTOR OF PERSONNEL THAT YOUR BOARD:

1. Approve proposed medical, dental, life, accidental death and dismemberment (AD&D), survivor income benefit (SIB), short-term disability (STD) and long-term disability (LTD) health insurance rates for the period January 1, 2002 through December 31, 2002, and the proposed benefit coverage changes for PacifiCare of California and PacifiCare Life & Health (PacifiCare), as indicated in Exhibit I, Exhibit II, Exhibit III, and Exhibit IV.
2. Instruct County Counsel to review and approve as to form the appropriate contracts with Blue Cross of California and Blue Cross Life and Health Insurance Company (Blue Cross), Connecticut General Life Insurance Company and CIGNA Healthcare of California, Inc. (CIGNA), Connecticut General Life Insurance Company (CGLIC), Delta Dental Plan (Delta Dental), Life Insurance Company of North America (LINA), Private Medical-Care, Inc. (DeltaCare PMI), SafeGuard Health Plans, Inc. (SafeGuard), Kaiser Foundation Health Plan, Inc. (Kaiser), PacifiCare, and Maxicare, and their successors or affiliates, as necessary, for the period January 1, 2002 through December 31, 2002, and instruct the Mayor to sign such contracts.
3. Approve proposed rates for the Association for the Los Angeles Deputy Sheriffs (ALADS) plans and the Los Angeles County Fire Fighters Local 1014 Health and Welfare Plan, and approve the proposed rates and benefit coverage changes for the California Association of Professional Employees (CAPE) plans for the period from January 1, 2002 through December 31, 2002 as shown in Exhibit V.

Together We Can Conserve Energy



4. Approve a one-time adjustment of \$100,500 in the maximum annual fee payable to Management Applied Programming, Inc., for costs associated with the implementation of benefit changes previously approved by your Board, and instruct the County Counsel to review and approve as to form the contract amendment necessary to execute such adjustment, and instruct the Mayor to sign the amendment.
5. Instruct the Auditor-Controller to make all other payroll system changes necessary to implement the changes recommended herein to ensure that all changes in premium rates are first reflected on pay warrants issued on January 15, 2002.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The current rate guarantees for certain County and union-sponsored group insurance plans end on December 31, 2001. The purpose of these recommendations is to implement premium rate changes for the 2002 calendar year.

The recommendations relating to group insurance rates are the result of extensive negotiations with the affected insurance carriers. The recommended rates and, in the case of County-sponsored plans, the recommended benefit design changes are concurred with by the Department of Human Resources, the Chief Administrative Office and the County's group insurance consultant, William M. Mercer, as well as the Coalition of County Unions and Local 660 where plans affecting represented employees are concerned.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan promoting the well being of County employees and their families by the offering of comprehensive employee benefits.

FISCAL IMPACT/FINANCING

These recommendations are within the parameters established by your Board. The County contribution for employee benefits is provided for in the 2001-2002 budget. Employees pay for any additional costs through payroll deduction.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Medical Plan Rate Changes Affecting Represented Employees

Kaiser, the County's most populous health plan, is requiring a premium rate adjustment for the represented employee population of approximately 9% to 10%, depending on co-pay. CIGNA provides an array of coverages for employees represented by the Coalition of County Unions and has proposed a 0.5% decrease in rates for 2002.

Consistent with the current Fringe Benefit MOU with Local 660, the Options Plan currently provides Local 660 represented employees with a choice between Kaiser and three different health plans offered by PacifiCare. At Local 660's request, the PacifiCare Point of Service (POS) Plan has been modified to mitigate premium increases by increasing the annual out-of-pocket maximum expenses to \$3,000/individual and \$9,000/family for the PPO Tier 2 and \$15,000/individual and \$45,000/family for the Out-of Network Tier 3.

Non-represented Employees Medical Plan Rates

Non-represented employees currently have a choice between Kaiser and four Blue Cross plans, which include an HMO, a Point-of-Service (POS) Plan, a Preferred Provider Plan (PPO), and a Catastrophic Plan. A Maxicare HMO is also an option for employees enrolled in that plan prior to 1991. Kaiser premiums are increasing by approximately 16.2%. Blue Cross premiums are increasing from 10.4% to 14.2%, depending on the plan, and Maxicare premiums are increasing by 11.9%. However, effective January 1, 2001, your Board adjusted the mandatory office and prescription drug co-pay provisions in all of these plans to a minimum of \$10 per visit and \$10 per prescription and, in connection with that change, approved County payment of all inflationary adjustments in health insurance premiums for 2001. We are recommending this policy be continued in 2002 and that there be no change in the \$10 co-pay provisions and no adjustment in the premium costs borne by the employees in these plans.

Disability Program Changes

MegaFlex participants are covered by a Short-Term Disability Plan that provides salary continuation benefits ranging from 40% to 70% of salary for disabled employees. This is a relatively low cost form of disability benefit that is presently funded by a combination of County and employee contributions on an approximate 50/50 basis. This benefit is provided in lieu of the County paid full pay and part-pay sick leave benefits and other paid injury leave benefits generally applicable to non-MegaFlex employees.

The Short-Term Disability Plan is self-insured by the County and, based on a recent actuarial review, is in need of an increase in program funding. We are recommending that County and employee contributions be adjusted as shown in Exhibit IV. This will maintain the financial integrity of the plan by essentially dividing the cost increase between the County and the impacted employee group.

As negotiated, LTD health insurance coverage will be extended to represented employees effective January 1, 2002. We are recommending a premium rate of \$4.25 per month, which is the same premium rate paid by non-represented employees in the MegaFlex program.

Dental Insurance

Delta Dental rates for represented and non-represented employees are decreasing by approximately 12% and 11% respectively, in 2002 and the new reduced rates are guaranteed through 2003. This situation is due, principally, to the tiered premium rate structure implemented in 2001 and the positive effect this structure has had on attracting good risks into the Delta Dental plans. The new structure, which was negotiated with employee representatives, also provides for certain reductions in employee costs in 2002, and those reductions are reflected in the employee contribution rates shown in Exhibits I and II.

With regard to the prepaid dental plans, the premiums for the DeltaCare PMI Plan will increase by 8.5%, but the rates will be guaranteed through 2004. The premium for the Safeguard Plan will not change and that, too, will be guaranteed through 2004.

Life Insurance and AD & D

For Choices and Options participants and non-represented employees participating in the Flexible Benefit Plan, there is a County provided term life insurance benefit of \$2,000 or \$10,000 depending on retirement plan membership. The cost of this benefit will decrease from \$0.25 to \$0.23 per thousand beginning January 1, 2002. There will also be an approximate overall 9.1% rate reduction for 2002 in the cost of optional life insurance for persons age 30 and above. There will be no change in the cost of survivor income benefits available to MegaFlex plan participants who are members of Retirement Plan E. All of the above rates are guaranteed through 2003.

There will be no change in the cost of optional accidental death and dismemberment (AD&D) benefits available to all permanent full-time employees. These rates also have a two-year rate guarantee effective January 1, 2002 through December 31, 2003. Furthermore, there are four new benefit enhancements that will be added without affecting the rates. The changes, shown in more detail on Exhibit VI are: 1) increasing the seat belt maximum from \$10,000 to \$25,000, 2) increasing the felonious assault maximum from \$25,000 to \$50,000, 3) adding a brain damage benefit, and 4) adding a disfigurement benefit.

Premium Rate Detail

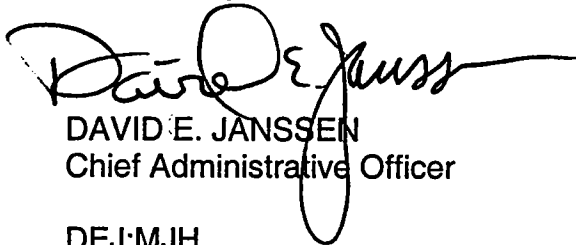
Plan premium rates for CIGNA, Kaiser, PacifiCare, Maxicare, Blue Cross, Delta Dental, DeltaCare PMI, SafeGuard, CGLIC and LINA are outlined in Exhibit I, Exhibit II and Exhibit III. Proposed STD Plan and LTD Health Insurance rates are outlined in Exhibit IV. Proposed 2002 rates for the Association for Los Angeles Deputy Sheriffs (ALADS) plans, California Association of Professional Employees (CAPE) plans, and Los Angeles County Fire Fighters Local 1014 Health and Welfare Plan are summarized in Exhibit V. CAPE is also requesting a number of minor benefit changes for its two point-of-service plans. A summary of the proposed CAPE health plan coverage is shown in Exhibit V.

MAP Contract Amendment

We request that your Board approve \$100,500 in special projects for calendar year 2001 not allowed by the contract cap on services provided by Management Applied Programming, Inc. (MAP). The additional charges are to cover essential one-time costs of implementing negotiated benefit changes approved by your Board.

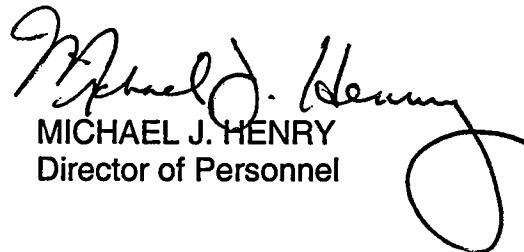
MAP provides record keeping and administration needed to annually enroll County employees in insurance plans and to provide cafeteria benefit plan services for both represented and non-represented employees. The contract with MAP, which tolls charges on a per employee basis, is capped at an annual total of \$1,293,750. This cap established in 1997 could not anticipate the requirements associated with increases in employee population, postage and telephone enrollment system maintenance that have occurred since that date.

Respectfully submitted:



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:MJH
PHS:pb



MICHAEL J. HENRY
Director of Personnel

Attachments (6)

c: Auditor-Controller
County Counsel

**COUNTY-SPONSORED
MEDICAL AND DENTAL INSURANCE PLANS
FOR REPRESENTED EMPLOYEES
CURRENT 2001 RATES AND PROPOSED 2001 RATES**

Plan	Option	Coverage Category ^a	Current 2001 Rates ^b	Proposed 2002 Rates ^c	Percentage Change
CIGNA	Network No Co-pay	1	\$218.19	\$217.01	-0.5%
		2	\$436.37	\$434.01	-0.5%
		3	\$501.83	\$499.11	-0.5%
	Network Co-Pay	1	\$208.39	\$207.26	-0.5%
		2	\$416.78	\$414.52	-0.5%
		3	\$479.30	\$476.71	-0.5%
	Health Access Open HMO	1	\$326.91	\$325.14	-0.5%
		2	\$620.34	\$616.98	-0.5%
		3	\$699.12	\$695.34	-0.5%
	Preferred Provider	1	\$525.84	\$522.99	-0.5%
		2	\$1081.61	\$1075.76	-0.5%
		3	\$1215.17	\$1208.59	-0.5%
KAISER ^b Choices	No Co-pay	1	\$211.49	\$233.92	10.6%
		2	\$422.98	\$467.84	10.6%
		3	\$490.66	\$542.69	10.6%
KAISER ^b Choices	\$5 Co-pay	1	\$205.84	\$224.80	9.2%
		2	\$411.68	\$449.60	9.2%
		3	\$477.55	\$521.54	9.2%
KAISER ^b Options ^d	No Co-pay	1	\$205.91	\$227.39	10.1%
		2	\$414.82	\$457.78	10.1%
		3	\$480.63	\$530.46	10.1%
KAISER ^b Options	\$5 Co-pay	1	\$200.28	\$218.29	8.7%
		2	\$403.56	\$439.58	8.7%
		3	\$467.57	\$509.35	8.7%
PACIFICARE	Low Option HMO	1	\$175.52	\$190.94	8.8%
		2	\$357.99	\$389.17	8.7%
		3	\$413.33	\$449.38	8.7%
	High Option HMO	1	\$191.87	\$208.70	8.8%
		2	\$391.41	\$425.45	8.7%
		3	\$451.59	\$490.91	8.7%
	Point of Service	1	\$318.43	\$380.19	19.4%
		2	\$646.91	\$771.78	19.3%
		3	\$748.08	\$892.59	19.3%

^a 1 = Employee only

2 = Employee + 1 Dependent

3 = Employee + 2 or more Dependents

^b All Kaiser 2002 rates reduced for Medicare eligible employees enrolled in Kaiser Senior Advantage Program

^c Rates for Kaiser (Options Plan) and PacifiCare reflect current negotiated County subsidies.

**COUNTY-SPONSORED
MEDICAL AND DENTAL INSURANCE PLANS
CURRENT 2001 RATES AND PROPOSED 2001 RATES**

Plan	Option	Coverage Category ^a	Current 2001 Rates	Proposed 2002 Rates	Percentage Change
DELTA DENTAL* Choices		1	\$ 47.00	\$ 39.00	-17.0%
		2	\$ 56.00	\$ 47.00	-16.1%
		3	\$ 65.00	\$ 65.00	0.0%
DELTA DENTAL* Options		1	\$ 55.00	\$ 45.00	-18.2%
		2	\$ 65.00	\$ 55.00	-15.4%
		3	\$ 75.00	\$ 75.00	0.0%
DELTACARE PMI Choices & Options		1	\$ 10.90	\$ 11.83	8.5%
		2	\$ 17.98	\$ 19.51	8.5%
		3	\$ 26.59	\$ 28.85	8.5%
SAFEGUARD Choices & Options		1	\$ 9.52	\$ 9.52	0.0%
		2	\$ 18.29	\$ 18.29	0.0%
		3	\$ 23.81	\$ 23.81	0.0%

- ^a 1 = Employee only
 2 = Employee + Child(ren)
 3 = Employee + Spouse
 4 = Employee + Spouse + Child(ren)

*Rates reflect County subsidy

**COUNTY-SPONSORED
MEDICAL AND DENTAL PLANS
FOR NON-REPRESENTED EMPLOYEES
CURRENT 2001 RATES AND PROPOSED 2002 RATES**

Plan	Option	Coverage Category ^a	Current 2001 Rates	Proposed 2002 Rates ^d	Percentage Change
BLUE CROSS	California Care HMO	1	\$167.93	\$167.93	0.0%
		2	\$328.09	\$328.09	0.0%
		3	\$344.71	\$344.71	0.0%
		4	\$389.48	\$389.48	0.0%
	PLUS POS	1	\$235.10	\$235.10	0.0%
		2	\$470.20	\$470.20	0.0%
		3	\$483.20	\$483.20	0.0%
		4	\$539.53	\$539.53	0.0%
	Catastrophic	1	\$141.00	\$141.00	0.0%
		2	\$281.00	\$281.00	0.0%
		3	\$284.00	\$284.00	0.0%
		4	\$331.00	\$331.00	0.0%
	Prudent Buyer PPO	1	\$292.00	\$292.00	0.0%
		2	\$539.00	\$539.00	0.0%
		3	\$561.00	\$561.00	0.0%
		4	\$648.00	\$648.00	0.0%
KAISER ^b	Co-pay	1	\$164.50	\$164.50	0.0%
		2	\$321.92	\$321.92	0.0%
		3	\$338.05	\$338.05	0.0%
		4	\$386.90	\$386.90	0.0%
MAXICARE ^c		1	\$193.43	\$193.43	0.0%
		2	\$378.32	\$378.32	0.0%
		3	\$396.55	\$396.55	0.0%
		4	\$451.19	\$451.19	0.0%
DELTA DENTAL		1	\$ 47.00	\$ 39.00	-17.0%
		2	\$ 50.00	\$ 42.00	-16.0%
		3	\$ 56.00	\$ 47.00	-16.1%
		4	\$ 65.00	\$ 65.00	0.0%
DELTACARE PMI		1	\$ 10.90	\$ 11.83	8.5%
		2	\$ 18.70	\$ 20.29	8.5%
		3	\$ 18.83	\$ 20.43	8.5%
		4	\$ 27.13	\$ 29.44	8.5%
SAFEGUARD		1	\$ 9.52	\$ 9.52	0.0%
		2	\$ 17.76	\$ 17.76	0.0%
		3	\$ 20.00	\$ 20.00	0.0%
		4	\$ 26.09	\$ 26.09	0.0%

^a 1 = Employee only

2 = Employee + Child(ren)

3 = Employee + Spouse

4 = Employee + Spouse + Child(ren)

^b All Kaiser 2002 rates reduced for Medicare eligible employees enrolled in Kaiser Senior Advantage Program^c Maxicare is closed to any subscriber who was not already in the Plan prior to 1991.^d Rates reflect County subsidy

**LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT,
AND SURVIVOR INCOME BENEFIT PROGRAMS
CURRENT 2001 RATES AND PROPOSED 2002 RATES**

		<u>Monthly Cost per \$1000 of Insurance</u>	
		<u>2001</u>	<u>2002</u>
COUNTY-PAID BASIC GROUP TERM LIFE INSURANCE		\$0.25	\$0.23
OPTIONAL GROUP TERM LIFE INSURANCE			
Employee:	<u>Age</u>	<u>2001</u>	<u>2002</u>
The monthly premium per \$1000 of insurance is based on employee's age as shown in the following table:			
	Less than 30	\$0.05	\$0.05
	30-34	\$0.08	\$0.07
	35-39	\$0.11	\$0.10
	40-44	\$0.13	\$0.12
	45-49	\$0.21	\$0.19
	50-54	\$0.33	\$0.30
	55-59	\$0.51	\$0.47
	60-64	\$0.80	\$0.73
	65-69	\$1.17	\$1.07
	70 and over	\$2.25	\$2.06
Dependent Life Insurance:		<u>2001</u>	<u>2002</u>
Cost per month, no matter how many eligible dependents he/she may have:		\$1.35	\$1.24

**LIFE, ACCIDENTAL DEATH AND DISMEMBERMENT, AND
SURVIVOR INCOME BENEFIT PROGRAMS
CURRENT 2001 RATES AND PROPOSED 2002 RATES**

OPTIONAL ACCIDENTAL DEATH & DISMEMBERMENT INSURANCE – Cost per Month

<u>Employee Coverage</u>	<u>Current 2001 Rates</u>		<u>Proposed 2002 Rates</u>	
	<u>Employee Only Plan G</u>	<u>Employee & Dependents Plan H</u>	<u>Employee Only Plan G</u>	<u>Employee & Dependents Plan H</u>
\$ 10,000	\$0.18	\$0.29	\$0.18	\$0.29
\$ 25,000	\$0.45	\$0.73	\$0.45	\$0.73
\$ 50,000	\$0.90	\$1.45	\$0.90	\$1.45
\$100,000	\$1.80	\$2.90	\$1.80	\$2.90
\$150,000	\$2.70	\$4.35	\$2.70	\$4.35
\$200,000	\$3.60	\$5.80	\$3.60	\$5.80
\$250,000	\$4.50	\$7.25	\$4.50	\$7.25
\$300,000	\$5.40	\$8.70	\$5.40	\$8.70
\$350,000	\$6.30	\$10.15	\$6.30	\$10.15

These figures apply regardless of employee's age. If Plan H is selected, all eligible dependents will be insured automatically.

SURVIVOR INCOME BENEFIT – For MegaFlex participants enrolled in Retirement Plan E

<u>Employee Age</u>	<u>Current 2001 Rates</u>		<u>Proposed 2002 Rates</u>	
	<u>Employee Cost* (25% Option)</u>	<u>Employee Cost* (50% Option)</u>	<u>Employee Cost* (25% Option)</u>	<u>Employee Cost* (50% Option)</u>
Under 30	0.156%	0.300%	0.156%	0.300%
30 to 34	0.192%	0.396%	0.192%	0.396%
35 to 39	0.252%	0.516%	0.252%	0.516%
40 to 44	0.360%	0.708%	0.360%	0.708%
45 to 49	0.480%	0.960%	0.480%	0.960%
50 to 54	0.636%	1.272%	0.636%	1.272%
55 to 59	0.912%	1.836%	0.912%	1.836%
60 to 64	1.248%	2.496%	1.248%	2.496%
65 to 69	1.716%	3.432%	1.716%	3.432%
70 and over	3.048%	6.096%	3.048%	6.096%

*Employee Cost is expressed as a percentage of regular monthly salary and is half of the actual premium. The County pays the other 50%.

**SHORT-TERM DISABILITY AND
LONG-TERM DISABILITY HEALTH INSURANCE
CURRENT 2001 RATES AND PROPOSED 2002 RATES**

SHORT-TERM DISABILITY PLAN**- Employee Cost as a Percentage of Monthly Salary**

<u>Income Replacement</u>	<u>Current 2001 Rates</u>			<u>Proposed 2002 Rates</u>		
	<u>30 Days*</u>	<u>14 Days*</u>	<u>7 Days*</u>	<u>30 Days*</u>	<u>14 Days*</u>	<u>7 Days*</u>
40%	0.000%	0.044%	0.072%	0.000%	0.067%	0.110%
60%	0.157%	0.222%	0.280%	0.241%	0.340%	0.429%
70%	0.302%	0.384%	0.463%	0.463%	0.588%	0.709%

* Indicates length of waiting period.

- County Cost as a Percent of monthly Salary

<u>Current 2001 Rate</u>	<u>Proposed 2002 Rate</u>
.215%	.329%

LONG-TERM DISABILITY HEALTH INSURANCE - Cost per month

<u>Current 2001 Rates</u>	<u>Proposed 2002 Rate</u>
\$4.25	\$4.25

**UNION-SPONSORED
MEDICAL AND DENTAL INSURANCE PLANS
PREMIUM RATES**

Plan	Option	Coverage Category ^a	Current 2001 Rates	Proposed 2002 Rates	Percentage Change
ALADS	Prudent Buyer Plan Under Age 50	1	\$313.02	\$313.02	0.0%
		2	\$615.35	\$615.35	0.0%
		3	\$708.18	\$708.18	0.0%
	Prudent Buyer Plan Age 50 and Over	1	\$313.02	\$313.02	0.0%
		2	\$615.35	\$615.35	0.0%
		3	\$708.18	\$708.18	0.0%
	California Care (All Ages)	1	\$184.42	\$200.11	8.5%
		2	\$359.91	\$391.20	8.7%
		3	\$451.76	\$490.72	8.6%
	Prudent Buyer Premier Plan Under Age 50	1	\$376.15	\$376.18	0.0%
		2	\$678.51	\$678.51	0.0%
		3	\$771.34	\$771.34	0.0%
	Prudent Buyer Premier Plan Age 50 and Over	1	\$376.15	\$376.18	0.0%
		2	\$678.51	\$678.51	0.0%
		3	\$771.34	\$771.34	0.0%
	CaliforniaCare Premier Plan (all ages)	1	\$247.58	\$263.27	6.3%
		2	\$423.07	\$454.36	7.4%
		3	\$514.92	\$553.88	7.6%
CAPE	Classic	1	\$244.00	\$271.00	11.1%
		2	\$496.00	\$552.00	11.3%
		3	\$724.00	\$765.00	5.7%
	Lite	1	\$198.00	\$212.00	7.1%
		2	\$402.00	\$432.00	7.5%
		3	\$589.00	\$589.00	0.0%
FIRE FIGHTERS LOCAL1014		1	\$255.40	\$285.53	11.8%
		2	\$525.12	\$555.00	5.7%
		3	\$587.87	\$638.51	8.6%

^a 1 = Employee only
2 = Employee + 1 Dependent
3 = Employee + 2 or more Dependents

2002 CAPE/Blue Shield Classic Plan

(800) 487-3092 www.blueshieldca.com

BENEFITS		PRIMARY CARE NETWORK	PPO NETWORK	Other Plans
Type of Plan		A Point of Service Plan		
Who is Eligible	All Participants	All Participants	All Participants	All Participants
Calendar Year Deductible	None	\$250 per person; \$500 per family maximum	\$250 per person; \$500 per family maximum	\$250 per person; \$500 per family maximum
Maximum Annual Out-of-Pocket Expenses	You pay a maximum of \$1,000 per person, \$2,000 per family	After deductible, you pay a maximum of \$2,000 per person; \$4,000 per family	After deductible, you pay a maximum of \$2,000 per person; \$4,000 per family	After deductible, you pay a maximum of \$2,000 per person; \$4,000 per family
Lifetime Maximum Benefit	Unlimited	\$2,000,000	\$2,000,000	\$2,000,000
PREVENTIVE CARE				
Immunizations	100%; no copayment	Not Covered	Not Covered	Not Covered
Periodic Health Exams	100%; no copayment (including Well Woman Exam, Pap Smear, and Mammography)	Routine physicals not covered. Well Woman Exam	Not Covered	Not Covered
Vision Care	Up to age 18 screenings only; 100%	100% after \$15 copayment; tests 90% no deductible	Not Covered	Not Covered
MEDICALLY NECESSARY CARE				
Ambulance	100% after \$50 copayment	90% after deductible ¹	90% after deductible ¹	90% after deductible ¹
Doctor Office Visits	100% after \$5 copayment	100% after \$15 copayment	100% after \$15 copayment	70% after deductible ¹
Emergency Room	100% after \$50 copayment (waived if admitted)	100% after \$50 copayment (waived if admitted)	100% after \$50 copayment (waived if admitted)	100% after \$50 copayment
Hospital Care	100%; no copayment	90% after deductible	90% after deductible	70% after deductible ¹
Maternity	100%; no copayment	100% after \$15 copayment	100% after \$15 copayment	70% after deductible ¹
Surgery	100%; no copayment (outpatient \$50 copayment)	90% after deductible	90% after deductible	70% after deductible ¹
X-Ray & Lab Tests	100%; no copayment	90% after deductible	90% after deductible	70% after deductible ¹
Prescription Drugs	\$5 (generic), \$10 (brand name), \$25 (nonformulary) ²	\$5 (generic), \$10 (brand name), \$25 (nonformulary) ²	\$5 (generic), \$10 (brand name), \$25 (nonformulary) ²	Covered For Emergencies
MENTAL HEALTH CARE				
Mental Health-Outpatient ³	Provided Through Vista/California Psychological Health Plan	Provided Through Vista/California Psychological Health Plan	Provided Through Vista/California Psychological Health Plan	Provided Through Vista/California Psychological Health Plan
	1-5 visits; no copayment	1-5 visits; no copayment	1-5 visits; no copayment	1-5 visits; 50% ¹
	6-10 visits; \$10.50 copayment	6-10 visits; \$10.50 copayment	6-10 visits; \$10.50 copayment	6-10 visits; 40% ¹
	11-15 visits; \$21.00 copayment	11-15 visits; \$21.00 copayment	11-15 visits; \$21.00 copayment	11-15 visits; 35% ¹
	16+ visits; \$35.00 copayment	16+ visits; \$35.00 copayment	16+ visits; \$35.00 copayment	16+ visits; 30% ¹
Mental Health-Inpatient	100%; no copayment ³	100%; no copayment ³	100%; no copayment ³	70% after deductible, no copayment ¹
OTHER PLAN BENEFITS				
Chiropractic Care	Provided Through American Specialty Health Plan	Provided Through American Specialty Health Plan	Provided Through American Specialty Health Plan	Not Covered
	100% after \$5 copayment	100% after \$5 copayment	100% after \$5 copayment	
	Unlimited visits per calendar year ⁴ , includes acupuncture	Unlimited visits per calendar year ⁴ , includes acupuncture	Unlimited visits per calendar year ⁴ , includes acupuncture	
Home Health Care	100% after \$5 copayment (combined 100 visits per calendar year)	90% after deductible (combined 100 visits per calendar year)	90% after deductible (combined 100 visits per calendar year)	70% after deductible ¹ (combined 100 visits per calendar year)
Hospice Care	100% after \$5 copayment (combined 100 visits per calendar year)	90% after deductible (combined 100 visits per calendar year)	90% after deductible (combined 100 visits per calendar year)	70% after deductible ¹ (combined 100 visits per calendar year)
Physical Therapy	100% after \$5 copayment	90% after deductible	90% after deductible	70% after deductible ¹
Skilled Nursing Facility	100%; no copayment (combined 100 days per calendar year)	90% after deductible (combined 100 days per calendar year)	90% after deductible (combined 100 days per calendar year)	70% after deductible ¹ (combined 100 days per calendar year)

1. Payments based on allowable amount.
2. Prescriptions for nonformulary drugs must be preapproved by Blue Shield prior to submission to pharmacy.
3. Additional benefits available through Blue Shield.
4. Based on medical necessity.
5. Through MHSA-prior authorization from MHSA required.

2002 Premium Rates

Employee Only:	\$271.00
Employee + One:	\$552.00
Employee + Family:	\$765.00

2002 CAPE/Blue Shield
Lite Plan

(800) 487-3092 www.blueshieldca.com

PRIMARY CARE NETWORK		OUT-OF-NETWORK	
A Point of Service Plan			
Type of Plan	All Participants	All Participants	All Participants
Who is Eligible	None	All Participants	\$500 per person; \$1,000 per family maximum
Calendar Year Deductible	You pay a maximum of \$1,500 per person.		After deductible, you pay a maximum of
Maximum Annual	\$3,000 per family		\$5,000 per person; \$10,000 per family
Out-of-Pocket Expenses	Unlimited		\$2,000,000
Lifetime Maximum Benefit			
PREVENTIVE CARE			
Immunizations	100%; no copayment	Not Covered	Not Covered
Periodic Health Exams	100%; no copayment (including Well Woman Exam, Pap Smear, and Mammography)	Routine physicals not covered. Well Woman Exam	Not Covered
Vision Care	Up to age 18 screenings only; 100%	100% after \$20 copayment; tests 80% no deductible	Not Covered
MEDICALLY NECESSARY CARE			
Ambulance	100% after \$50 copayment		80% after deductible ¹
Doctor Office Visits	100% after \$10 copayment		100% after \$20 copayment
Emergency Room	100% after \$50 copayment (waived if admitted)		\$50 copayment (waived if admitted)
Hospital Care	100%; no copayment		80% after deductible
Maternity	100%; no copayment		100% after \$20 copayment
Surgery	100%; no copayment (outpatient \$75 copayment)		80% after deductible
X-Ray & Lab Tests	100%; no copayment		80% after deductible ¹
Prescription Drugs	\$5 (generic), \$10 (brand name), \$25 (nonformulary) ²		80% after deductible ¹ , outpatient-carrier max Pymt \$360 per day
MENTAL HEALTH CARE			
Mental Health-Outpatient ³	Provided Through Vista/California Psychological Health Plan	Provided Through Vista/California Psychological Health Plan	80% after deductible ¹
	1-5 visits; no copayment		80% after deductible ¹
	6-10 visits; \$10.50 copayment		80% after deductible ¹
	11-15 visits; \$21.00 copayment		80% after deductible ¹
	16+ visits; \$35.00 copayment		80% after deductible ¹
Mental Health-Inpatient	100%; no copayment ⁵		80% after deductible, carrier max payment \$360 per day
OTHER PLAN BENEFITS			
Chiropractic Care	Provided Through American Specialty Health Plan	Provided Through American Specialty Health Plan	Not Covered
	100% after \$15 copayment		Not Covered
Home Health Care	combined 30 visits per calendar year ⁴ , includes acupuncture	combined 30 visits per calendar year ⁴ , includes acupuncture	80% after deductible ¹
	100% after \$10 copayment		80% after deductible ¹
Hospice Care	(combined 100 visits per calendar year)	(combined 100 visits per calendar year)	(combined 100 visits per calendar year)
Physical Therapy	100% after \$10 copayment (combined 100 visits per calendar year)	80% after deductible (combined 100 visits per calendar year)	80% after deductible ¹ (combined 100 visits per calendar year)
Skilled Nursing Facility	100% after \$10 copayment	80% after deductible	80% after deductible ¹
	100%; no copayment (combined 100 days per calendar year)	80% after deductible (combined 100 days per calendar year)	80% after deductible ¹ (combined 100 days per calendar year)

1. Payments based on allowable amount.

2. Prescriptions for nonformulary drugs must be preapproved by Blue Shield prior to submission to pharmacy.

3. Additional benefits available through Blue Shield.

4. Based on medical necessity.

5. Through MHSA-prior authorization from MHSA required.

2002 Premium Rates

Employee Only:	\$212.00
Employee + One:	\$432.00
Employee + Family:	\$589.00

**ACCIDENTAL DEATH AND DISMEMBERMENT PLAN
SPECIAL FEATURE ENHANCEMENT**

Benefits in place for 2001

- **Paralysis** - Applies to all covered family members. Quadriplegia paid at 100%; paraplegia and hemiplegia paid at 50%
- **Seatbelt** - Applies to all covered family members. If death occurs while wearing a properly fastened seatbelt, there is an additional benefit of 10% of the principal sum, to \$10,000.
- **Coma** - If a covered family member's accident results in a coma, 1% of the principal sum will be paid each month for 11 months. If the coma continues, the remaining amount of the principal will be paid in the lump sum during the 12th month.
- **Spouse Retraining** - If family coverage has been elected, on the death of a covered employee, a special additional benefit of 5% of the principal sum up to \$5,000 is paid for spousal retraining.
- **Child Care** - If family coverage has been elected, up to 5% of the deceased parent's principal sum, up to \$5,000 per year, will be paid for the care of children under age 13, for a maximum of four years.
- **Special Education Benefit** - If family coverage has been elected, on the death of either covered parent, an additional benefit of 5% of the principal sum up to \$5,000 per year is paid for college education of dependent children.
- **Felonious Assault** - A special benefit of 25% of the principal sum to \$25,000 is paid to a covered employee who is assaulted while on the business of the County.
- **Repatriation of Remains** - Expense of returning the remains of a covered individual is paid for no matter where death occurs.
- **Medical Evacuation** - If there is a medical emergency, the expense of transporting a covered individual from a foreign country to nearest qualified medical facility is paid for.

Enhancements for 2002 with no impact on the premium rates

- **Seatbelt** - Increase the maximum to \$25,000.
- **Felonious Assault** - Increase the maximum to \$50,000.
- **Brain Damage** - Brain damage must occur within 60 days from the dated of the covered accident and the covered individual must be hospitalized for 7 days within that period. At the end of the 12 consecutive months of brain damage, if a physician determines that the covered person is permanently and totally disabled, the principal benefit will be paid in on lump sum.
- **Disfigurement** - If as a result of an accident, a covered person is disfigured or scarred from second degree or higher burns, the actual medical expenses required for reconstructive or cosmetic surgery will be paid, up to the maximum of \$100,000.